

PART IV. Worksheet 2. Assessment Period Projected Activity Summary

Applicant ABC Bank

Assessment Period: January 1, 2000 through June 30, 2000

	DEVELOPMENT AND SERVICE ACTIVITIES
Deposit Activities (Worksheet 1, line 1)	Total deposits by residents of the Distressed Community at its Distressed Community branch office were \$3,608,749 as of 12/31/98 and \$4,502,517 as of 6/30/99. Thus, the increase in such deposits during the Baseline Period was \$893,768. The \$208,581 anticipated increase in deposit activity from the Baseline Period to the Assessment Period is projected to result from the opening of a second branch located in census tract number 4.01, located within ABC Bank's designated Distressed Community. The new branch will offer promotional rates to attract depositors. ABC Bank geocodes its deposit accounts by customer address, which allows the bank to identify depositors that are located within the Distressed Community.
Financial Services (Worksheet 1, line 2)	Not reporting, the bank does not separately track the administrative costs of providing financial services to Low- or Moderate-Income residents of the Distressed Community at its branches located in the Distressed Community.
ETAs/IDAs (Worksheet 1, line 3)	ABC Bank did not offer these types of accounts during the Baseline Period. During the Assessment Period, the bank anticipates offering ETA's. The bank projects that it will open 100 accounts with residents of the Distressed Community within the Assessment Period. Thus, the bank anticipates it will report \$5,000 in eligible ETA activities (100 accounts times \$50 per account). For the purpose of ensuring the ETA's are serving Low- or Moderate-Income residents of the Distressed Community the bank will distribute a survey to its ETA customers asking about household income and the bank will geocode the addresses of its ETA customers.
Community Services (Worksheet 1, line 4)	ABC Bank will sponsor two workshops for small businesses located within the bank's two Distressed Communities. Topics will include developing a business plan, strategic planning, and credit counseling. ABC Bank will contract with an independent consultant to conduct the business and strategic planning sessions, and bank loan officers will provide credit counseling in group and/or one-on-one sessions. The cost of engaging the consultant is anticipated at \$7,000 (see attached estimate from a prospective consultant). The remaining \$3,000 anticipated increase is based on three bank loan officer's pro-rata salary expenses for two-8 hour days.

PART IV. Worksheet 2. Assessment Period Projected Activity Summary
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	DEVELOPMENT AND SERVICE ACTIVITIES (CONT.)
Consumer Loans (Worksheet 1, line 7)	N/R – not reporting. ABC Bank does not geocode its consumer loans.
Single-Family Loans and Related Project Investments (Worksheet 1, line 8)	The \$425,000 in anticipated single-family loans is based on ABC Bank's projection of making 15 - 25 second mortgages under our new home repair loan program expected to be available beginning April 1, 2000. The loans will range from \$5,000 - \$25,000, with interest rates ranging from 9% - 11.5%, and maturities of up to 2 years.
Multi-Family Loans and Related Project Investments (Worksheet 1, line 9)	Not applicable, ABC Bank does not finance multi-family loans or projects.
Commercial Real Estate Loans and Related Project Investments (Worksheet 1, line 10)	The \$300,000 in anticipated commercial real estate loans is based on ABC Bank's projected share in a \$3 million project to renovate a strip shopping mall in the city's Fair Park area. Fair Park is located in census tract number 4.03, in ABC Bank's designated Distressed Community. The terms of the loan (i.e., interest rate and maturity) have yet to be determined.
Business Loans, Agricultural Loans, and Related Project Investments [1] (Worksheet 1, line 11)	The \$975,000 in anticipated business loans is based on ABC Bank's projection of making 10 – 20 loans to businesses for the purposes of financing working capital, accounts receivable, or inventory purchase. The loans will range from \$10,000 - \$100,000, with an interest rate of bank Prime + 3%, with maturities of 1 - 3 years.
Business Loans, Agricultural Loans, and Related Project Investments [2] (Worksheet 1, line 12)	The \$375,000 in anticipated business loans is based on ABC Bank's projection of making loans to two businesses located within ABC's designated Distressed Community. The first loan, for \$250,000 will be to finance the buy-out of existing partners in a large graphic printing company and will have an interest rate of bank Prime + 3%, and a 5 year maturity. The second loan, for \$125,000 will finance equipment purchase(s) for a dry cleaning business. The terms of that loan will be Prime + 3.5%, with a 3 year maturity. Both businesses are located in census tract 4.01.
Business Loans, Agricultural Loans, and Related Project Investments [3] (Worksheet 1, line 13)	The \$625,000 in anticipated business loans is based on ABC Bank's projection of making a permanent working capital loan to a grocery store. The store is located in census tract number 4.03, one of ABC Bank's designated Distressed Communities, and is the only major grocery chain located within the city. The loan will have an interest rate of bank Prime + 2.5%, with a two year maturity.

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	CDFI RELATED ACTIVITIES
Equity Investments (Worksheet 1, line 17)	ABC Bank will make a \$25,000 grant to the Us Too Community Development Fund, which has applied to the CDFI Fund for certification.
CDFI Support Activities (Worksheet 1, line 18)	<ol style="list-style-type: none">1) ABC Bank will make a \$100,000 deposit into the Southend Federal Credit Union, which is a certified CDFI. The deposit will be in the form of a certificate of deposit, with a 3-year maturity. The interest rate has yet to be determined, but will be “materially below” the market rate.2) ABC Bank will make a \$100,000 loan to the XYZ Community Loan Fund. XYZ is not a certified CDFI, but anticipates applying to the CDFI Fund for certification. The loan will be at 5% interest and have a 2-year maturity.

PART VI. Worksheet 4. CDFI Distressed Community Activities

DISTRESSED COMMUNITY ACTIVITIES				
CDFI Name	XYZ Community Loan Fund			
Narrative Description of Distressed Community	See attached page.			
Distressed Community Census Tracts	Fair Park neighborhood of Dallas, consisting of the following census tracts: 4.01, 4.03, 4.04, 4.05, and 5.			
ACTIVITIES				
Lending or Investments		1996 # / \$	1997 # / \$	1998 # / \$
	Consumer Loans	20 / \$42,111	25 / \$55,275	37 / \$84,672
	Single family Loans	100 / \$4,926,023	131 / \$7,242,361	158 / \$9,540,970
	Small Business Loans	40 / \$653,550	50 / \$851,524	72 / \$924,778
	IDA Accounts	N/A	N/A	52 / \$153,200
	This designated Distressed Community represents approximately 40% of XYZ's total lending and investment activity. In Fair Park, XYZ provides a broad range of services to its borrowers, focusing on small business loans and single-family mortgages.			
Development Services	Seminars/Counseling Sessions	1996	1997	1998
	First-time homeownership classes	80	112	137
	Home maintenance workshops	32	56	78
	Business Financial Counseling	60	90	124
	Individual Counseling	16	33	59
	XYZ provides extensive business counseling and homeownership education. It offers classes designed to prepare borrowers to find a home, arrange credit, close on a purchase of a home, and make minor home repairs. The Business Financial Counseling course is a four-week, 10-hour program directed to entrepreneurs offering accounting, inventory management and marketing classes. Individual counseling helps XYZ's borrowers with specific business questions. It is estimated that over 80% of the attendees come from the census tracts designated above.			
Other Activities	XYZ staff participate in numerous local charitable activities and sit on the Boards of a variety of local nonprofit organizations. In addition, in 1998, XYZ purchased its headquarters, which is located in census tract 4.01, and it sponsored a weekend graffiti clean up.			

Narrative Description for the Distressed Community (census tracts 4.01, 4.03, 4.04 4.05, and 5) for Development & Service Activities and CDFI Support Activities of ABC Bank with XYZ Community Loan Fund

The Distressed Community of Fair Park, is in Dallas County, Texas and is geographically identified by the five, contiguous census tracts listed above. Fair Park, which is one mile south of the Dallas Central Business District, has a total population of 45,227 people. Of the residents of the Distressed Community, 35% have incomes less-than the national poverty level based on the U.S. Bureau of the Census 1990 decennial census. The poverty rates in each of the five census tracts are 22%, 36%, 51%, 29%, and 38%, respectively.

The housing stock in the Distressed Community is among the oldest in the county and is in poor condition, 33% of residential and commercial properties were vacant in 1990. Further the unemployment rate in census tracts 4.04 and 5 were 2.1 and 1.7 times greater-than the national average based on the U.S. Bureau of Labor Statistics data.

In the past, there has been little concerted effort on the part of banks, businesses and public agencies to assist residents in this Distressed Community. Only one full-service bank branch is located within the Distressed Community.